December 2003

## Greetings from DCA Commissioner and COAH Chair Susan Bass Levin

I wanted to take this opportunity to thank everyone who attended the Council on Affordable Housing's (COAH) recent public hearings and who submitted written comments on the proposed third round rules and methodology. We must have input from municipalities, advocates, organizations and individuals in order to make these rules best work for New Jersey's residents.

The public hearings, held on November 24 and 25, 2003 in Hackensack City (Bergen County), Bridgeton City (Cumberland County), Manalapan Township (Monmouth County) and Trenton City (Mercer County), played host to more than 200 members of our communities. At the meetings, COAH board members and staff were present to listen to comments and opinions and bring that information back for consideration. In addition. COAH received more than 200 written comments on the proposed third round rules during the 60-day comment period, which ended on December 5, 2003.

I commend all of those who came out and wrote to us, sharing your views on the proposed rules, and I want you to know that your views are important to us.

All of the comments received by COAH at the public hearings

New Jersey
Meadowlands Commission
and COAH Form Partnership
to Provide Affordable
Housing in the Meadowlands

Consistent with sound planning, the New Jersey Meadowlands Commission (NJMC) board of commissioners has approved a resolution that solidifies their support for affordable housing in the Meadowlands. The resolution sets out seven policy goals that will be developed in close cooperation with the New Jersey Council on Affordable Housing (COAH) and the mayors of the Meadowlands municipalities.

First, the new NJMC Master Plan and District Zoning Regulations will be amended to include language that supports affordable housing in the Meadowlands in accordance with COAH rules.

Second, the district's zoning regulations will allow the Meadowlands Commission to review towns' petitions for rezoning in order to accommodate affordable housing.

Third, the NJMC will prepare a memorandum of understanding with COAH to create a regional approach to affordable housing for towns in the Meadowlands.

Fourth, the NJMC will work with the Hackensack Meadowlands Municipal Committee to create an affordable housing policy.

Fifth, the NJMC will assist the Meadowlands towns in complying with the new COAH rules by working with them on fair share plans for certification or re-certification and by providing technical and possibly financial assistance to the municipalities to plan for affordable housing

Sixth, the NJMC will pursue an amendment to the Fair Housing Act, or possibly COAH's rules, to permit the creation of a regional development fee bank to assist municipalities that do not have an established development fee ordinance of their own.

Seventh, the NJMC will establish economic incentives -through the Intermunicipal Tax Sharing Formula - to encourage municipalities to provide affordable housing within the District.

This represents a unique partnership between the NJMC, COAH, and district mayors to create sound policy goals and strategies, while creating much needed affordable housing throughout the region. "The NJMC is committed to accomplishing these goals for affordable housing, and at the same time, is committed to protecting our wetlands, open space, and environmentally sensitive areas," said DCA Commissioner Susan Bass Levin.

Kate Butler, principal planner at COAH, will be working with each of the Meadow-lands District municipalities to help them obtain substantive certification.

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## Substantive Certifications

#### **November 5, 2003 Meeting**

#### **North Plainfield Borough**

North Plainfield Borough (Somerset County) received interim substantive certification. The borough had a second round cumulative affordable housing obligation of 89 units, all of which were units in need of rehabilitation. North Plainfield received prior cycle credits for 13 units of new construction at the Chatham Row development (1985) and credit for 53 units rehabilitated since April 1990. The balance of 23 units will be addressed through the borough's continued participation in Somerset County's housing rehabilitation program. Interim certification lasts until one year after COAH's third round rules become effective.

#### **Bound Brook Borough**

Bound Brook Borough (Somerset County) also received interim substantive certification. Like North Plainfield, Bound Brook's 33-unit affordable housing obligation was all rehabilitation. The borough was able to address its entire obligation through credits from 22 units rehabilitated since April 1990 and 17 bedrooms in four group homes established after 1986, for a surplus of six units.

#### **Hampton Township**

Hampton Township (Sussex County) was granted a full six-year substantive certification, as the township had petitioned COAH on or before June 6, 2000. To address its 57-unit affordable housing obligation (44 new construction/13 rehabilitation), Hampton provided documentation for 13 rehabilitation credits and for nine bedrooms in three group homes, which generated a four-unit rental bonus credit. The 31-unit new construction balance was addressed through inclusionary zoning that could yield 43 affordable units out of 430 total units for a surplus of 12 units.

#### **December 3, 2003 Meeting**

#### **Byram Township**

Byram Township's (Sussex County) housing element and fair share plan addresses a 62-unit obligation consisting of 28 rehabilitation and 34 new construction units. Byram submitted crediting documentation for 28 units already rehabilitated. The township will establish inclusionary zoning in the Village Center Mixed Use district to address the 34-unit new construction obligation. Accepting Byrams' certification is Ronald Gatti, Byram Township Manager (center), posing here with Lucy Voorhoeve, COAH Executive Director (left) and Sean Thompson, COAH Principal Planner (right).



# COAH Approves Regional Contribution Agreements (RCA)

#### **November 5, 2003 Meeting**

#### **Burlington Township and Burlington City**

Burlington Township (Burlington County) received approval from COAH to send 43 units to Burlington City (Burlington County) at a cost of \$1,040,000 (\$20,000 per unit). The city will use the funds to finance a scattered site housing rehabilitation program. This brings the number of units that COAH has approved for the township to send to the city to \$2.

#### Saddle River Borough and Ridgefield Borough

COAH recommended approval to the court for the transfer of 22 units from Saddle River Borough to Ridgefield Borough (both in Bergen County). If approved by the court, Saddle River will make four payments of \$110,000 to Ridgefield over three years (\$20,000 per unit). Ridgefield will use the funds to finance a scattered site housing rehabilitation program.

#### **December 3, 2003 Meeting**

#### South Plainfield Borough and New Brunswick City

South Plainfield Borough (Middlesex County) received a second round Judgment of Compliance on April 28, 2003. The court transferred review, approval and oversight of this proposed RCA to COAH. South Plainfield will send 57 units to New Brunswick City (Middlesex County) at a total cost of \$1,140,000 (\$20,000 per unit). New Brunswick will use the funds to finance 57 of the 190 units to be constructed and converted in a project known as Fulton Square. The balance of 133 units will be market rate.

Note: New Brunswick has RCA recipient certification, which enables a municipality to utilize RCA funds within certain affordable housing categories and to forgo project approval by the New Jersey Housing and Mortgage Finance Agency, and instead, to submit a project summary prior to project commencement.

#### Did You Know?

Did you know that the receiving municipality in a RCA does not have to receive substantive certification from COAH in order to enter into an RCA contract with a sending municipality? However, the sending municipality must be either COAH-certified, in the process of receiving COAH certification or be before the court in an exclusionary zoning lawsuit. Also, if the receiving municipality is an Urban Aid Designated municipality, affordability controls on the units received need be only 10 years, not 30 years. All new applications for the approval of an RCA must allow for a minimum transfer of \$25,000 per unit. The proposed third round rules would increase the minimum transfer to \$35,000 per unit.

# COAH Re-Adopts Second Round Substantive Rules

At its November 5, 2003 meeting, COAH re-adopted N.J.A.C. 5:93, the substantive rules governing second round municipal affordable housing obligations. These rules were due to expire on May 5, 2004. Re-adoption was a necessary administrative action to permit municipalities that have first and second round substantive certifications of their housing elements and fair share plans in place to retain validity of their certified fair share plans and to allow those municipalities that have petitioned for, but not yet received, certification to be certified pursuant to the rules in effect at the time of petition.

# Greeting from Levin

and submitted in writing by the December 5, 2003 deadline will be addressed in a response document to be published in the New Jersey Register. This will be followed by the final adoption of the rules and methodology by the Council in 2004.

Again, without your input, we could not make this system work its best for New Jersey's families and individuals. We look forward to responding to all of the comments and working with you to make housing affordable for New Jersey 's residents.

Sincerely,

Susan Bass Levin

Commissioner

## As of November 30, 2003:

COAH

**Fast** 

**Facts** 

- 212 municipalities have been certified by COAH
- ◆ 30,663 units have been constructed in COAHcertified and court-settled municipalities
- 3,047 units are under construction
- ◆ 12,259 units have zoning and/or approvals in place
- ◆ 12,307 have been rehabilitated

Susan Bass Levin Commissioner NJ Department of Community Affairs



James E. McGreevey Governor State of New Jersey



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